

## Message Text

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ACTION EB-07

INFO OCT-01 ARA-06 EUR-12 EA-07 ISO-00 AID-05 CIAE-00

COME-00 FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02

OPIC-03 SP-02 CIEP-01 LAB-04 SIL-01 OMB-01 NSC-05

SS-15 STR-04 CEA-01 AGR-05 AGRE-00 PA-01 PRS-01 L-03

IO-13 /116 W

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P 012116Z OCT 76

FM AMEMBASSY SAN JOSE

TO SECSTATE WASHDC PRIORITY 5263

AMEMBASSY BUENOS AIRES

AMEMBASSY BRASILIA

AMEMBASSY BRIDGETOWN

AMEMBASSY LA PAZ

AMEMBASSY BOGOTA

AMEMBASSY SANTO DOMINGO

AMEMBASSY QUITO

AMEMBASSY SAN SALVADOR

AMEMBASSY GEORGETOWN

AMEMBASSY GUATEMALA

AMEMBASSY PORT AU PRINCE

AMEMBASSY TEGUCIGALPA

AMEMBASSY KINGSTON

AMEMBASSY MEXICO

AMEMBASSY MANAGUA

AMEMBASSY ASUNCION

AMEMBASSY LIMA

AMEMBASSY CARACAS

RUDTCXAMEMBASSY LONDON 097

AMEMBASSY MANILA

AMEMBASSY PANAMA

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E.O. 11652: N/A

TAGS: EAGR, ETRD, CS

SUBJECT: SUGAR EXPORTERS TO SET MINIMUM PRICE

REF: SAN JOSE 3896

1. ACCORDING TO LA NACION OF OCTOBER 1, PRESIDENT ODUBER REPORTEDLY SAID IN A SPEECH TO A FARMER'S GROUP THAT THE SUGAR EXPORTING COUNTRIES WILL REACH AN AGREEMENT TO SET THE EXPORT PRICE OF SUGAR AT 15 CENTS A POUND, SUPPOSEDLY THE COST OF U.S. PRODUCTION. HE SAID THE EXPORT PRICE WOULD BE SET PRINCIPALLY FOR SHIPMENTS TO THE U.S. MARKET. ODUBER EXPLAINED THAT THE MOVE TO FIX THE EXPORT PRICE DOES NOT CONSTITUTE THE FORMATION OF SOMETHING AKIN TO UPEB (THE UNION OF BANANA EXPORTING COUNTRIES), BUT RATHER TO ARRIVE AT AN UNDERSTANDING AMONG THE PRODUCERS TO PROTECT THEMSELVES FROM THE WORLD MARKETS.

2. ODUBER SAID THAT SUCH MAJOR PRODUCING COUNTRIES AS COLOMBIA, THE DOMINICAN REPUBLIC, CUBA, BRAZIL, MEXICO, PANAMA, PERU AND ALL THE CENTRAL AMERICAN COUNTRIES HAVE JOINED THE GROUP RESOLVED TO SET A MINIMUM SUGAR PRICE. ODUBER NOTED THAT THE PHILLIPINES HAS NOT AND ADDED THAT HE HAD ASKED GENERAL TORRIJOS OF PANAMA TO TRAVEL TO THE PHILLIPINES, IF POSSIBLE, "TO CONVINCE THE FILIPINOS TO UNITE THEMSELVES TO THE GROUP SEEKING TO DEFEND A JUST SUGAR PRICE IN THE WORLD MARKETS."

3. EMBOFF CONTACTED HIGH LEVEL ADVISOR IN MINISTRY OF ECONOMY TO SEEK CLARIFICATION OF PRESS REPORT. SOURCE SAID THAT ODUBER WAS MERELY REFERRING TO PROPOSAL THAT CAME OUT OF LAST MEETING IN MEXICO OF TECHNICAL COMMITTEE OF GEPLACEA (REFTEL). ASKED IF THE PRESIDENT'S STATEMENT INDICATES THAT COSTA RICA IS NOW IN ACCORD WITH THE GEPLACEA PROPOSAL, SOURCE REPLIED THAT ODUBER WAS SPEAKING POLITICALLY RATHER THAN DEFINITELY. HE SAID THAT THE GEPLACEA PROPOSAL HAS BEEN REFERRED BY THE GOVERNMENT TO THE SUGAR PRODUCERS LEAGUE, WHICH IS CONDUCTING A STUDY IN DEPTH. HE SAID THAT ONE COULD NOT SAY THAT THE GOCR HAS TAKEN A POSITION UNTIL AFTER IT RECEIVES AND CONSIDERS THE VIEWS OF THE PRODUCERS.

4. SOURCE ALSO CLARIFIED ONE OTHER POINT IN RESPONSE TO EMBOFF'S QUESTION. HE SAID THAT A SUGAR PRODUCERS AGREEMENT, LIMITED OFFICIAL USE

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IF ONE CAME INTO BEING, WOULD BE CONCERNED WITH THE PRICE OF ALL SUGAR EXPORTS, AND NOT JUST EXPORTS TO THE US MARKET. HE WAS NOT ABLE TO SAY WHETHER OR NOT ODUBER HAS ASKED TORRIJOS TO MAKE REPRESENTATIONS TO THE PHILLIPINES.

5. EMBASSY ALSO CONTACTED EXECUTIVE SECRETARY OF SUGAR PRODUCERS LEAGUE. HE SAID HE WAS SEEKING CLARIFICATION OF THE PRESIDENT'S REMARKS. HE EXPRESSED THE POINT OF VIEW

THAT 15 CENTS IS THE LOWEST PRICE THAT THE COSTA RICAN PRODUCERS  
WOULD ACCPT WITHOUT SUFFERING LOSSES. SO FAR, COSTA RICA HAS  
NOT HAD TO MAKE ANY SALES BELOW THAT PRICE, HE ADDED. TODMAN

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## Message Attributes

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**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** SUGAR, EXPORT PRICES, SPEECHES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 01 OCT 1976  
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**Disposition Approved on Date:**  
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**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Document Unique ID:** 00  
**Drafter:** n/a  
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**Executive Order:** N/A  
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**Film Number:** D760371-0215  
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**Previous Handling Restrictions:** n/a  
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**Subject:** SUGAR EXPORTERS TO SET MINIMUM PRICE  
**TAGS:** EAGR, ETRD, CS, (ODUBER QUIROS, DANIEL)  
**To:** STATE BUENOS AIRES  
**Type:** TE  
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